

VZCZCXRO8026
RR RUEHBZ RUEH DU RUEHJO RUEHMR RUEHRN
DE RUEHLU #0311/01 0871646
ZNR UUUUU ZZH
R 281646Z MAR 07
FM AMEMBASSY LUANDA
TO RUEHC/SECSTATE WASHDC 3838
INFO RUCNSAD/SOUTHERN AFRICAN DEVELOPMENT COMMUNITY
RUEHRC/DEPT OF AGRICULTURE WASHINGTON DC

UNCLAS SECTION 01 OF 03 LUANDA 000311

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(GEILERTS) EGAT/AG (JRTTHOMAS)
USDA FOR FAS/ITP
EMB GABORONE FOR USAID (JBROWN)

E.O. 12958: N/A

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SUBJECT: ANGOLA'S NEW AGRICULTURE MINISTER PREDICTS SHARPLY
REDUCED MAIZE HARVEST

¶1. (SBU) Summary. On March 22, 2007, Ambassador Efird and Econoff called on Agriculture Minister Afonso Pedro Canga. According to Canga, this year,s heavy rains will reduce the corn harvest to about 60,000 metric tons, compared with 450,000 tons in 2006. The cassava harvest will be adequate, but transportation problems will make supply to the maize growing areas difficult. He agreed Angola,s farmers must move from subsistence to commercial farming. To achieve that goal, he recognized the need for improved transportation, flood control, seed and fertilizers, as well as the need to develop markets for agricultural products, improve rural finance, and offer agricultural extension services in rural areas. End Summary.

¶2. (SBU) On March 22, 2007, Ambassador Efird paid an initial call on Afonso Pedro Canga, Angola,s Minister of Agriculture since late January 2007. Ambassador Efird reviewed U.S. concerns about agriculture and current USG projects in Angola and Minister Canga responded in kind with a tour d,horizon of Angola,s agricultural potential and challenges. Ambassador Efird was accompanied by Econoff. Minister Canga was joined by new Vice Minister for Agriculture and Rural Development, Filomena del Gado along with his chiefs of staff, Tobias Lopes and Bonifacio de Almeida.

Food Security and Statistics

¶3. (SBU) Heavy rains will reduce this year,s corn (maize) harvest. Canga predicted a harvest of just 60,000 metric tons (MT), compared with last year,s bumper harvest of 450,000 MT, but acknowledged the unreliability of most statistics in Angola. (Note: Canga may have misspoken, but he would not be alone. On March 27, an Agriculture Ministry official in Cuanza Sul Province predicted an extremely unlikely 300,000 metric ton maize harvest in that Province alone. End note.) Canga believes a cultural change making Angolans more willing to give information is a key part of improvement in statistics available. The National Institute of Statistics and the Ministry of Agriculture together with the European Union are developing standards for collecting information and make Angola,s agricultural statistics more reliable, he concluded. Ambassador Efird noted that USAID is working with the Ministry on an early warning program for food security (FEWSNET) and urged the Minister to meet with USAID expert Gary Eilarts and support his work.

¶4. (SBU) Ambassador Efird noted that the United States Government,s projects in Angola, while small, are meant to

serve as pilots for future large-scale Angolan projects, to increase the value of products and to assist local groups in developing self-help skills and management. In the area of food security, the United States is offering to help Angola build its own system to replace the WFP's Vulnerability Assessment system in order to identify where poor harvests imperil food security. (Note: The World Food Program is in the process of standing down in Angola; its crop assessments have pinpointed potential food deficits. End note.) Poor transportation still means that Angola can still have food deficits in one area and a glut in elsewhere, said Efird. Canga, concurring, stressed the GRA's sovereign obligation to improve transportation while building grain reserves to meet local food deficits.

Commercial Farming and AGOA

15. (SBU) Minister Canga expressed his satisfaction that Angola's agriculture is now on the road to recovery as refugees and displaced persons return to their rural homes. He agreed with Ambassador Efird that small farmers, once able to feed themselves, should enter market-based commercial farming. Ambassador Efird noted several encouraging developments: American companies have expressed interest both in raising crops for export and in producing packaging for Angola-grown food. The October 2006 visit of USDA Deputy Administrator of Trade Policy Pat Sheikh from the Department of Agriculture had opened new possibilities for cooperation to be pursued during the May 2007 USDA visit during Luanda's Alimenticia trade show. U.S. firms are also participating in Angola's agricultural fairs. The U.S. Government has also offered to provide Angola with technical help in establishing a testing laboratory for food exports, Ambassador Efird

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continued, noting that this would improve Angola's ability to export agricultural products to the United States under AGOA. Minister Canga concurred in the need for future Angolan agricultural exports to meet the stringent standards of importing countries. He added that Angola longs to rebuild the system of laboratories that made Angola a model for the rest of Africa before its civil war.

Increasing Rural Capacity and Access

16. (SBU) Better roads may attract rural Angolans to the cities, observed Canga, but they will also bring agricultural products to urban markets and give trained agronomists access to farms where they will improve farmers' abilities. Enough income growth in rural areas might even slow the pace of migration to the cities, he hoped. Canga expressed gratitude for USAID and the Chevron-funded seed-multiplication programs to grow seed domestically, noting that Angola currently imports 80 percent of its seed. Public works to control rain water and promote irrigation will also increase food security by permitting dry season planting, Canga noted. He cited the need for additional credits for agricultural producers, along the lines of existing programs funded through the USAID & Novo Banco8 project or the Chevron-GRA funded program at Banco Sol.

Technical Assistance to Rural Areas

17. (SBU) In order to increase Angola's technical ability in agriculture, the United States is supporting projects to combat Avian Flu, Ambassador Efird noted. Agostinho Neto University has ongoing exchanges with the University of Michigan, she recalled, and the U.S. Government has also proposed university exchanges with land-grant colleges in the United States as a way of improving the capacity of Angola's agricultural extension service. An agricultural extension service giving farmers good technical advice is essential, Canga agreed, but requires building up an educational system

geared to produce good technicians in the fields as well as outstanding scholars for the faculty.

Fertilizers Ruled by the Market

¶8. (SBU) Ambassador Efird said that USAID had funded a useful study on fertilizer production. The Minister said that a government agency had monopolized fertilizer imports and distribution before independence and the civil war, but that organization no longer exists, and the Ministry of Agriculture now wants to let market forces decide the quantity and quality of fertilizers farmers buy, explained Canga. Commercial agriculture demands fertilizers for adequate crops because Angola,s ferruginous soils are poor in nutrients, Canga noted, and with the future growth of commercial farming, Angola must import far more than its current 20,000 MT of fertilizer. Ambassador Efird observed that importing bulk fertilizer would permit distributors to mix the correct fertilizer for different crops and different soil conditions. Canga agreed that farmers now use fertilizer wastefully, another area where agricultural extension agents can help the farmers. Canga continued that the fertilizer business is now entirely in private hands but needs encouragement.

Rural Women

¶9. (SBU) Canga also stressed the importance of reducing the burden of rural women, who do most of farming work, bear children, raise them, cook, keep house and care for their husbands. Vice Minister of Agriculture Filomena Delgado referred to several ongoing projects designed to improve the lot of rural women and noted that she would travel to the U.S. as part of the delegation to the U.S.-Angolan Chamber of Commerce meeting on May 9.

Comment

¶10. Canga made no direct appeal for food aid, nor did he substantiate his crop forecast. However, he also wished to keep the possibility on the table. On private control of the

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fertilizer market, Canga,s information was selective, since the fertilizer market is limited to a favored few importers. End Comment.

Bio Note

¶11. (SBU) Afonso Pedro Canga was born in Angola,s Uige Province on February 10, 1959. Before being appointed Minister of Agriculture in January 2007, he served as Director General of the Institute for Agricultural Development and before that as Vice Minister of Agriculture. Trained as an agronomist at Angola,s Agostinho Neto University, he has long been the principal architect of Angola,s agricultural policies, including its prohibition on the importation of viable transgenic seed. He is married and has children. Minister Canga understands English. EFIRD